

# Battleview Vermilion Oil Field

*To assure Victory Canada and  
the Empire must have more Oil*

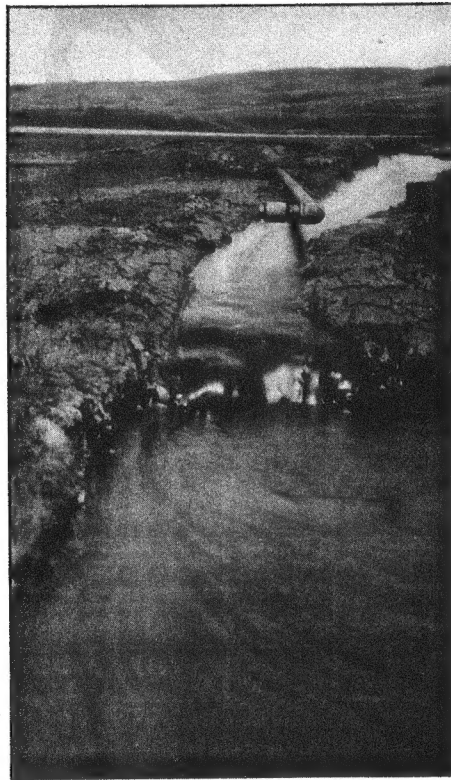
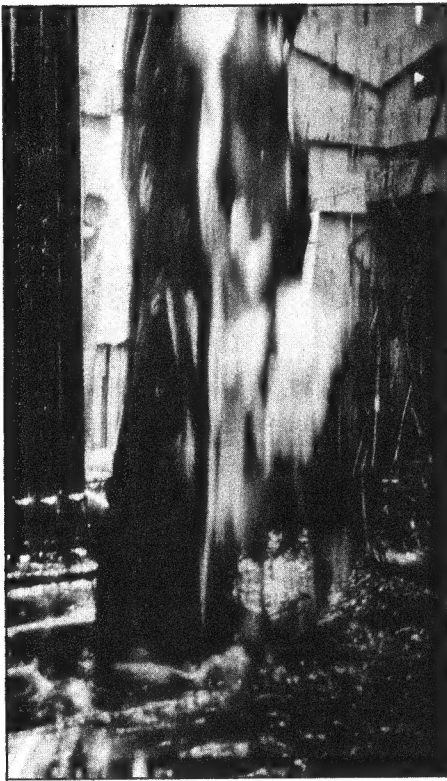


**VICTORY OILS LIMITED**

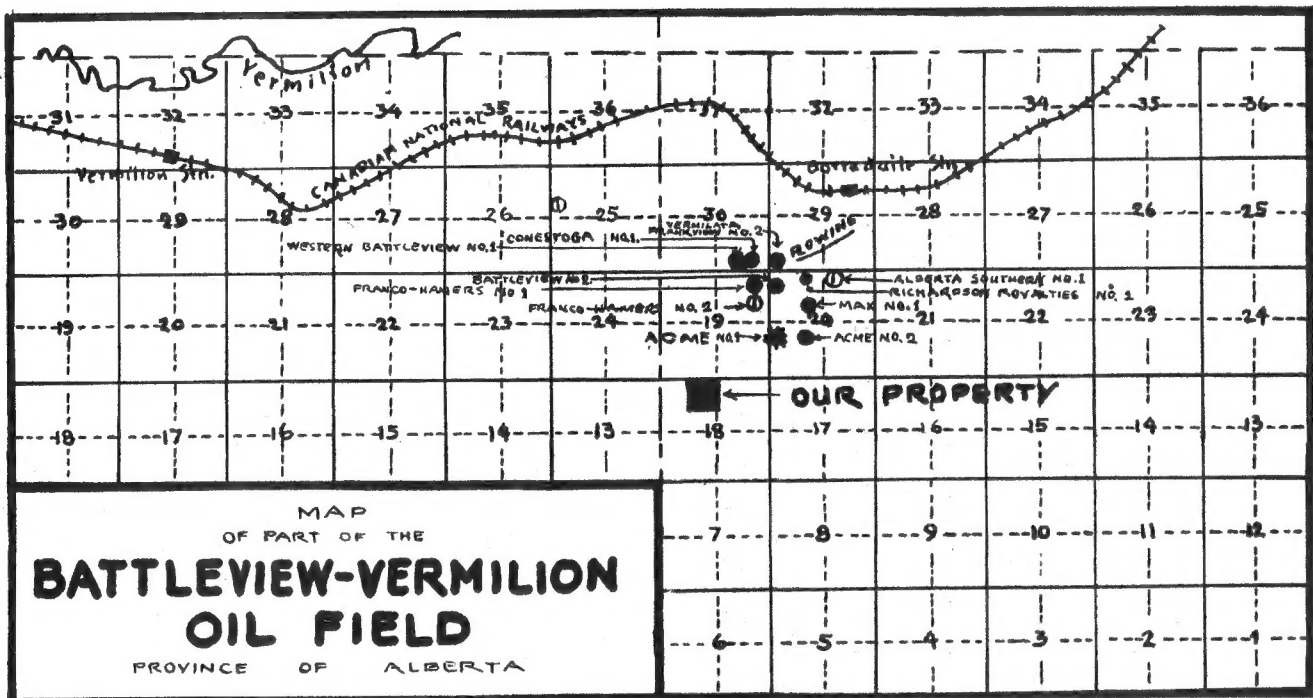
104 DARKE BLOCK  
**REGINA**  
SASKATCHEWAN

A COPY OF THIS PROSPECTUS HAS BEEN FILED WITH THE REGISTRAR OF JOINT STOCK  
COMPANIES FOR THE PROVINCE OF SASKATCHEWAN

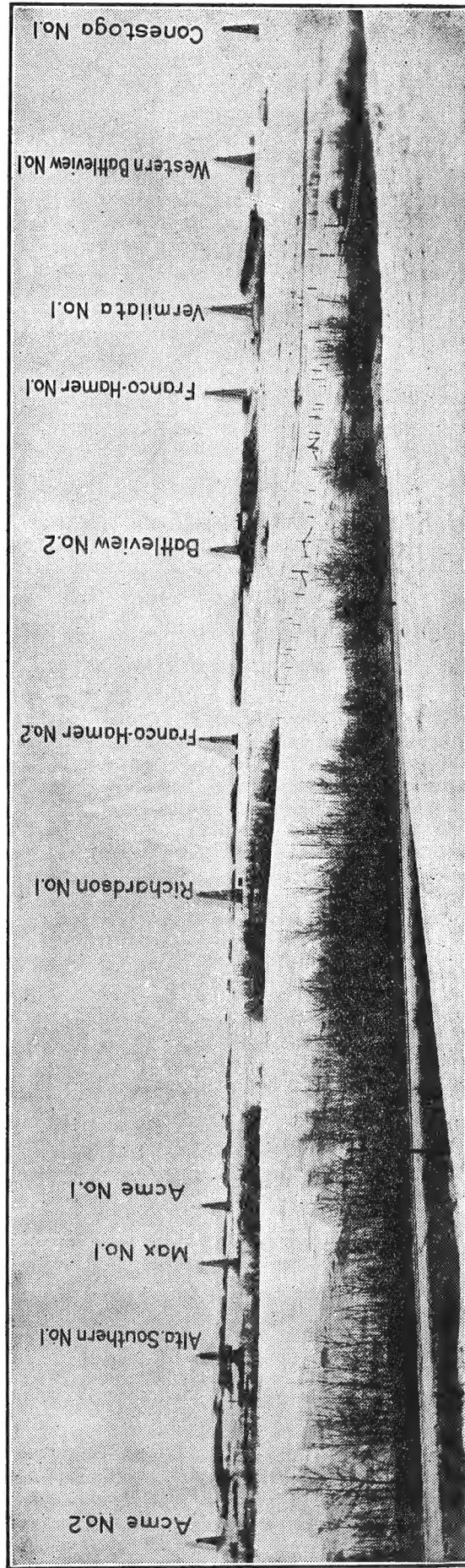




## Views of Battlevue No. 3







BATTLEVIEW VERMILION OIL FIELD







# VICTORY OILS LIMITED

## LOCATION:

The Company has obtained an assignment of a lease of natural gas and petroleum rights in respect of forty acres in the Vermilion-Battleview field, being Legal Subdivision Fourteen (14), of Section Eighteen (18), in Township Fifty (50), in Range Five (5), West of the Fourth Meridian, in the Province of Alberta. This field is situated one hundred to one hundred and twenty-five miles East of Edmonton, and forty-five miles West of Lloydminster. It is six and one-half miles South East of the Town of Vermilion, and three miles South of Borradaile Siding, which gives the Company a very short haul to a railroad. In view of the fact that there are already producing wells within a very short distance of the Company's property there is every possibility that the Company will be equally successful.

## GEOLOGY:

Russell V. Johnson, consulting geologist of Calgary, Alberta, has reported favorably on the Company's property. Drilling operations will proceed according to his recommendations.

## COMMENTS ON THE VERMILION-BATTLEVIEW FIELD:

The following is quoted from The Western Examiner, published at Calgary, Alta. (May 17th, 1941),

"Operators and those holding acreage in Vermilion field have been greatly encouraged by the recent statement of R. E. Allan, of ACB, that the field one hundred miles East of Edmonton had the appearance of a potential large producing area and that the heavy crude would make good fuel oil as well as cracking oil for the recovery of gasoline."

The following is quoted from an article in the Canadian Oil World, published at Vancouver, B.C., (July, 1940),

"A report prepared by two of Canada's outstanding departmental oil geologists, Dr. G. S. Hume and C. O. Hage, on the 'Lloydminster Gas and Oil area, Alberta and Saskatchewan' has just been released by the Federal Department of Mines and Resources. The concluding sentence in the report and it indicates the great possibilities of this large area, which extends from the Fabyan-Viking Gas fields, which supplies gas to Edmonton, east through Wainwright, Battleview, Vermilion, Lloydminster, Ribstone, into the Vera area in North Western Saskatchewan, (Quote Dr. G. S. Hume and C. O. Hage), 'The fact, however, that gas and oil occur in the Lloydminster area in what appears now to be a structure of low relief is not only decidedly important in itself, but even of greater importance as an indication of what may be eventually expected from the large area included with central Alberta and Western Saskatchewan.'

"Add to the statement of these independent Government geologists, the opinions of other equally outstanding geological authorities such as Dr. Ralph Arnold of Los Angeles and Dr. F. F. Hintze of Salt Lake City together with the results of a Seismic survey of the Battleview area made by a competent research institute which says, that the Battleview structure shows one of the greatest closures on the North American continent; and one can understand why oil operators are turning their attention to these shallow prairie fields. . ."

## DEVELOPMENT OF FIELD:

The development of the Vermilion Oil field has been rapid. There are at the present time in this field seventeen wells either producing or practically completed or awaiting test. Mr. R. E. Allan, Chairman of the Alberta Petroleum and Natural Gas Conservation Board, has expressed the opinion that one well in the Vermilion field will not drain more than ten acres. As the Company's lease covers forty acres the Company would have sufficient acreage for four wells. However, regulations in force in the Province of Alberta at present, permit only one well on each forty acres.

## PRESENT PRODUCTION OF FIELD:

Experience has proven that in most cases larger profits can be made in the shallower oil fields. Seven or eight wells can be drilled in the Vermilion-Battleview field for the approximate cost of one well in a deep field, such as Turner Valley. The Vermilion-Battleview field is a pumping field, and according to the history of other pumping fields can be expected to produce over a long period.

Battleview No. 2, the discovery well of the Vermilion-Battleview field, had its first anniversary on the 13th May, 1941, and according to a report published in The Western Examiner (Calgary, Alta., May 17, 1941) produced about eleven thousand and four hundred barrels of oil during the year despite frequent interruptions.





In the Vermilion-Battleview field production has been obtained at the shallow depth of approximately eighteen hundred and fifty feet, and at the low cost of twenty-two thousand dollars to twenty-five thousand dollars for a completed well with the necessary equipment installed and ready for production. Having in mind the low cost of drilling and the high production, the Vermilion-Battleview field appears to be very attractive.

An analysis of the Vermilion-Battleview crude made at Kansas City by the Kansas City Testing Laboratory (Inc.) shows that this is a heavy low grade crude, with a high octane base suitable for making aviation or high test gasoline.

#### Cracking Test

Yields (basis crude oil as received)

	One cycle	Ultimate with recycling
Gasoline.....	17.5%	35.0%
Recharging stock.....	67.5%	
Fuel oil.....	10.0%	55.0%
Loss (gas and coke).....	5.0%	10.0%
	100.0%	100.0%

#### Properties of Cracked Gasoline

Sulphur ...	0.86%
Octane Number (L-3 Method).....	66.9

#### CONCLUSION:

The Directors of the Company feel that the opinions expressed by prominent geologists and the results already obtained by other operators indicate that the Vermilion-Battleview field constitutes a great Canadian oil reserve. Having in mind the shallow depth of the field and low drilling cost, the Directors are of the opinion that the shares of the Company present an opportunity to participate in a development of unusual promise.

The minimum subscription of \$16,000.00 referred to in paragraph (d) under the heading of Statutory Information, given in this prospectus is calculated after allowing for a commission of 20% on the sale of shares. Until such time, however, as the minimum subscription is obtained only one-half of the commission will be paid, and 90% of all money received on account of applications for shares offered by this prospectus will be deposited as trust funds to the Company's credit in a separate bank account in the Victoria and Albert Street Branch of the Bank of Montreal, Regina, Sask., and will, if the minimum subscription is not obtained, be returned to the respective subscribers thereof, in accordance with the provisions of The Companies Act.

#### STATUTORY INFORMATION:

- (a) The Company was incorporated on the 20th day of May, 1941.  
The address of the Company's registered office is 104 Darke Block, Regina, Saskatchewan.  
The liability of the members is limited to the amount unpaid thereon of the price or consideration for which the shares are issued by the Company.  
The authorized capital of the company is 50,000 shares of no par value of which to date 2250 shares have been subscribed. These shares are fully paid up as follows:  
1250 shares at one dollar per share less 20% commission and 1000 shares to Albert Ripley in accordance with paragraph (g).  
Only one class of shares is to be issued by the Company, and such shares are of no par value. The Company has no indebtedness.
- (b) The business which the Company proposes to carry on by means of the proceeds of the subscriptions invited by the prospectus is that of prospecting and drilling for oil, and such business will be carried on in the Province of Alberta. The Company at the present time is offering for subscription a sufficient number of shares to raise the amount estimated to be required to drill a well on the Company's property exclusive of pumping and other equipment that will be required if production is obtained.
- (c) 21,000 shares are now offered for subscription at the price of \$1.00 per share which amount is payable in full on application for such shares.  
The rate of commission to be allowed on the sale of shares is 20%.
- (d) The minimum subscription under Section 120 of the Companies Act on which the directors may proceed to allotment is \$16,000.00.

The said amount is estimated or calculated as follows,—

Estimated cost of drilling well.....	\$15,000.00
Ordinary corporate expenses.....	500.00
Preliminary and organization expenses.....	500.00



- (e) The several amounts or estimated amounts paid or payable for,—
- |   |  |
|---|--|
| Preliminary expenses.....   | \$200.00 (estimated)                             |
| For services rendered or to be rendered in relation to the formation or organization of the Company.....                  | \$300.00 (estimated)                             |
| As commission for subscribing or agreeing to subscribe or procuring or agreeing to procure, subscriptions for shares..... | 20% of the price at which the shares are issued. |
- (f) The Company has acquired an assignment of a lease of all natural gas and petroleum rights in and under legal subdivision 14 of section 18, township 50, range 5, West of the 4th Meridian, in the Province of Alberta, and has acquired the said lease subject to royalties payable to the Government of the Province of Alberta, a  $7\frac{1}{2}\%$  gross over riding royalty payable to Franco Oils Limited, a  $7\frac{1}{2}\%$  gross over riding royalty payable to Albert Ripley, and subject to the terms of an agreement between Albert Ripley and the Company dated the 27th day of May, 1941, and being the agreement referred to in paragraph (o) below.
- (g) The full name, address and occupation of the vendor of the property referred to in clause (f) is Albert Ripley, Indian Head, Saskatchewan, Garageman.  
The amount paid by Albert Ripley for the property acquired by the Company and also for an assignment of a lease of natural gas and petroleum rights in respect to legal subdivision 13 of section 18, township 50, range 5, West of the Fourth Meridian, in the Province of Alberta, was \$500.00 and one-half of drilling credits. (A copy of the agreement under which Albert Ripley acquired the said lease is attached to the agreement between Albert Ripley and the Company, dated the 27th day of May, 1941, and referred to in paragraph (o) below.)  
The amount paid or payable by the Company to Albert Ripley for the assignment of the lease of natural gas and petroleum rights in respect to legal subdivision 14 of section 18, township 50, range 5, West of the Fourth Meridian, in the Province of Alberta, (the assignment being subject to payment of a  $7\frac{1}{2}\%$  gross over riding royalty to Albert Ripley and to other terms referred to in paragraph (f) above and the agreement of May 27th, 1941, referred to in paragraph (f) above and paragraph (o) below is,—
- |                 |       |
|-----------------|-------|
| shares.....     | 1,000 |
| debentures..... | nil   |
- (h) No debentures are being offered for subscription.
- (i) The amount in cash subscribed by the said Albert Ripley for shares or debentures of the Company or otherwise contributed by him to the Company is — nil.
- (j) No special rights or restrictions are attached to any shares offered by the prospectus. At meetings of the Company on a show of hands every member present in person shall have one vote. On a poll every member shall have one vote for each share of which he is a holder.  
The number of shares fixed by the articles as the qualification of a director is one share.  
The articles of the Company provide that the remuneration of the directors shall from time to time be determined by the Company in general meeting, and no remuneration has been paid or is now payable to any director.
- (k) The full names, addresses and occupations of the directors and the amount in cash subscribed by each of them for shares of the Company or otherwise contributed by each of them to the Company is as follows,—
- |   |         |
|---|---------|
| Albert Ripley, Indian Head, Sask., Garageman .....  | nil     |
| Stanley Nichols, Indian Head, Sask., Farmer .....   | 200.00. |
| William Ripley, Indian Head, Sask., Garageman ..... | 200.00. |
- (l) Albert Ripley is the promoter of the Company and is the vendor of the property that has been acquired by the Company.  
No sums have been paid or agreed to be paid to him in cash or shares or otherwise by any person either to induce him to become or qualify him as a director or otherwise for services rendered by him in connection with the promotion or formation of the Company.
- (m) The Auditors of the Company have not yet been appointed.
- (n) The Company has obtained a certificate entitling the Company to commence business and the date of the certificate is 10th June, 1941.
- (o) Material contracts are as follows,—
- |  |  |
|--|--|
| Contract or agreement dated May 27th, 1941, between Albert Ripley and Victory Oils Limited, assignment of lease dated May 27th, 1941, between Albert Ripley and Victory Oils Limited. The said documents or copies thereof may be inspected during ordinary business hours on any business day at 104 Darke Block, Regina, Saskatchewan. |  |
|--|--|

DATED at the City of Regina, in the Province of Saskatchewan, this twenty-eighth day of July, A.D. 1941.





